

## Message Text

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PAGE 01 SAIGON 06630 211723Z

64

ACTION COME-00

INFO OCT-01 EA-11 ISO-00 AEC-11 AID-20 CEA-02 CIAE-00

CIEP-02 DODE-00 EB-11 FEA-02 FPC-01 H-03 INR-10

INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07 RSC-01 SAM-01

SCI-06 SP-03 SS-20 STR-08 TRSE-00 EUR-25 DRC-01 /165 W

----- 108248

R 211045Z MAY 74

FM AMEMBASSY SAIGON

TO SECSTATE WASHDC 4917

INFO AMEMBASSY BANGKOK

CINCPAC

AMCONSUL HONG KONG

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY PHNOM PENH

AMEMBASSY SINGAPORE

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CINCPAC FOR POLAD

E.O. 11652: GDS, DECLAS 5/31/74

TAGS: ENRG, VS

SUBJECT: UNOFFICIAL RESULTS OF SECOND ROUND BIDDING FOR OFFSHORE  
CONCESSIONS

REF: SAIGON 4561 AND 5270

1. SUMMARY - UNOFFICIAL RESULTS OF SECOND ROUND OF BIDDING FOR  
OFFSHORE CONCESSIONS INDICATE THAT TEN BLOCKS WILL BE AWARDED TO SIX  
INTERNATIONAL OIL FIRMS OR CONSORTIUMS. LATTER WILL PAY \$33.35  
MILLION IN SIGNATURE BONUSES AND WILL OBLIGATE THEMSELVES TO A  
FIVE-YEAR WORK PROGRAM TOTALING \$77.14 MILLION. END SUMMARY

2. BIDS SUBMITTED IN SECOND ROUND OF BIDDING FOR OFFSHORE OIL CON-  
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PAGE 02 SAIGON 06630 211723Z

CESSIONS WERE OPENED MAY 21 BY MINISTER OF TRADE AND INDUSTRY CUONG

AS CHAIRMAN OF NATIONAL PETROLEUM BOARD (NPB). PRESENT FOR OCCASION WERE NPB STAFF AND BOARD MEMBERS AND REPRESENTATIVES FROM AMERICAN, AUSTRALIAN, FRENCH, CANADIAN AND JAPANESE EMBASSIES.

3. OUT OF 33 BLOCKS (SEE MAP ENCLOSED WITH SAIGON A-288), FIRMS SUBMITTED BIDS FOR TEN BLOCKS. UNOFFICIAL WINNERS ARE AS FOLLOWS:

BLOCK 3 MOBIL-KAIYO (SIGNATURE BONUS (SB)-\$4.7 MILLION, WORK PROGRAM (WP)-\$8.0 MILLION)

BLOCK 4 SHELL (US) - BROKEN HILL PROPRIETARY (SB - \$4.0 MILLION, WP - \$8.0 MILLION)

BLOCK 7 UNION TEXAS - SKELLY OIL - CONZINC RIOTINTO AUSTRALIA - CANADIAN INDUSTRIAL GAS & OIL (SB - \$8.0 MILLION, WP - \$12.0 MILLION)

BLOCK 9 MOBIL-KAIYO (SB - \$5.2 MILLION, WP - \$8.0 MILLION)

BLOCK 10 OMCO (OILS & MINERALS LIMITED) (SB - \$2.1 MILLION, WP - \$6.47 MILLION)

BLOCK 11 MARATHON - SUN - AMERADA HESS (SB - \$6.1 MILLION, WP - \$8.5 MILLION)

BLOCK 12 SUNNINGDALE OIL (SB - \$50,000, WP - \$6.0 MILLION)

BLOCK 14 OMCO (SB - \$2.45 MILLION, WP - \$7.1 MILLION)

BLOCK 18 OMCO (SB - \$450,000, WP - \$6.97 MILLION)

BLOCK 23 OMCO (SB - \$300,000, WP - \$6.1 MILLION)

4. ALL BLOCKS RECEIVED ONLY ONE BID EXCEPT FOR BLOCKS 11 AND 13. FOR BLOCK 11, FOUR GROUPS WERE CONTENDERS: OMCO, MARATHON-SUN-AMERADA HESS, MOBIL-KAIYO-AQUITAINE, AND WENDELL PHILLIPS. FOR BLOCK 3, MOBIL-KAIYO WAS PITTED AGAINST MARATHON-SUN-AMERADA HESS.

5. SIGNATURE ONUSES WILL TOTAL \$33.35 MILLION WHILE WORK PROGRAMS OVER FIVE-YEAR PERIOD WILL BE 77.14 MILLION. IN THE FIRST ROUND SIGNATURE BONUSES AND WORK PROGRAMS WERE ABOUT \$17 MILLION AND \$59 MILLION RESPECTIVELY.

6. NPB WILL SUBMIT RECOMMENDATIONS ON AWARD OF CONCESSION BLOCKS TO CABINET LATER THIS WEEK. AFTER CABINET APPROVAL, RESULTS WILL BE OFFICIALLY ANNOUNCED MIDDLE NEXT WEEK. ADDITIONAL DETAILS WILL BE REPORTED THEN.  
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PAGE 03 SAIGON 06630 211723Z

MARTIN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OFFSHORE DRILLING, PETROLEUM CONCESSIONS, PROPOSALS (BID)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GarlanWA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
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**From:** SAIGON  
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**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** SAIGON 4561 AND 5270  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GarlanWA  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 JUL 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 JUL 2002 by kelleyw0>; APPROVED <26 FEB 2003 by GarlanWA>  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNOFFICIAL RESULTS OF SECOND ROUND BIDDING FOR OFFSHORE CONCESSIONS  
**TAGS:** ENRG, VS  
**To:** STATE  
**Type:** TE  
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